

Steven Menaker, Esq. (014231977)  
Michele L. DeLuca, Esq. (001972007)  
Chasan Lamparello Mallon & Cappuzzo, PC  
300 Lighting Way, Suite 200  
Secaucus, New Jersey 07094  
[smenaker@chasanlaw.com](mailto:smenaker@chasanlaw.com)  
(201) 809-6002  
Attorneys for Plaintiffs the City of Union City and Brian P. Stack  
File No. 15255-0021

CITY OF UNION CITY and BRIAN P.  
STACK, in his individual and official  
capacity as Mayor of the City of Union City,

Plaintiffs,

v.

CITY OF HOBOKEN, CITY COUNCIL OF  
THE CITY OF HOBOKEN, and RAVINDER  
BHALLA, in his official capacity as Mayor of  
the City of Hoboken,

Defendants.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: HUDSON COUNTY  
DOCKET NO. HUD-L-\_\_\_\_\_-24

Civil Action

**COMPLAINT IN LIEU OF PREROGATIVE  
WRITS**

The City of Union City and Brian P. Stack, in his individual and official capacity as Mayor of the City of Union City (collectively, "Plaintiffs"), by way of Complaint in Lieu of Prerogative Writs against the City of Hoboken, the City Council of the City of Hoboken, and Ravinder Bhalla, in his official capacity as Mayor of the City of Hoboken (collectively, "Defendants" and/or "Hoboken"), state:

## **PARTIES**

1. The City of Union City ("Union City") is a municipal corporation located in Hudson County, New Jersey, and adjoins and is adjacent to the western border of the City of Hoboken.

2. Brian P. Stack ("Mayor Stack") is a resident of Union City and serves as Mayor of Union City.

3. The City of Hoboken ("Hoboken") is a municipal corporation located in Hudson County, New Jersey.

4. The City Council of the City of Hoboken ("City Council") is the law-making body of Hoboken.

5. Ravinder Bhalla ("Mayor Bhalla") is the Mayor of Hoboken, an agent of Hoboken, and is being sued in his official capacity as Mayor.

6. Union City has a duty to protect the interests of its citizens.

7. As defined in the Municipal Land Use Law, N.J.S.A. 40:55D-4, "any person, whether residing within or without the municipality, whose right to use, acquire, or enjoy property is or may be affected by any action taken under this Act, or whose rights to use, acquire, or enjoy property under this Act, or under any other law of this State or the United States have been denied, violated or infringed by an action or a failure to act under this Act" is an "interested party" who may challenge the validity of governmental action in a civil proceeding.

8. Union City and Mayor Stack are interested parties.

**FACTS APPLICABLE TO ALL COUNTS**

9. This action concerns the proposed development of the properties described and set forth on the official Tax Map of Hoboken as Block 112, Lot 1, commonly known as 1300 Jefferson Street ("Block 112"), and Block 106, Lot 1, commonly known as 1200-1330 Madison Street ("Block 106") (collectively, the "Properties").

10. Just Block 112, LLC ("Just Block") is the owner of Block 112.

11. Hoboken Western Edge, LLC ("HWE") is the owner of Block 106.

12. Just Block and HWE are collectively referred to as the "Redevelopers."

13. Upon information and belief, the Redevelopers purchased the Properties in or around the year 2012.

**a. Adoption of the Western Edge Redevelopment Plan**

14. On or about August 5, 2015, Hoboken adopted the Western Edge Redevelopment Plan (the "Redevelopment Plan").

15. The Redevelopment Plan governs a redevelopment area located in northwest Hoboken, designated as the zone between Block 92, Lots 1.01 and 1.02, Block 106, Lot 1, and Block 112, Lot 1 on the Tax Map of the City of Hoboken ("Redevelopment Area").

16. The Redevelopment Area is adjacent to the New Jersey Palisades (the "Palisades"), a line of steep cliffs which runs alongside the west side of the lower Hudson River and which overlooks Hoboken and New York City.

17. The Palisades are within 200 feet of Union City's eastern border.

18. Views from the Palisades in Union City include views of the New York City skyline and surrounding areas. Union City considers this viewshed to be an asset to Union City.

19. The original Redevelopment Plan, as adopted in 2015, permitted building heights up to 116 feet above design flood elevation ("DFE") for residential mixed-use buildings, and up to 126 feet above DFE for non-residential mixed-use buildings.

20. Figures and images contained within the Western Edge Plan depict that structures would not be built which exceed the height of the Palisades.

**b. Hoboken's 2018 Reexamination Report and Land Use Element**

21. In June 2018, Hoboken adopted a Master Plan Reexamination Report ("Reexamination Report") and a Land Use Element of the Master Plan ("Land Use Element").

22. The Reexamination Report and Land Use Element (collectively the "Master Plan") were adopted following a public process, which included public comment. Residents of Hoboken and non-Hoboken residents attended the community and public meetings when the Master Plan was discussed and/or adopted.

23. The Master Plan provides goals for future development in Hoboken.

24. Section 5 of the Reexamination Report, entitled "An Engaged and Efficient Partner," recommends that Hoboken "work collaboratively across municipalities and agencies."

25. Section 5 of the Reexamination Report further states that "Hoboken shares many resources with its neighbors along New Jersey's Gold Coast, such as . . . the Hudson River waterfront" and that it must work "collaboratively with its neighbors"

given that “[t]he Gold Coast cities share the Hudson waterfront as well as views of the Hudson.”

26. Section 5 of the Reexamination Report concludes that Hoboken “should coordinate across utilities, agencies and regional boundaries to encourage resource sharing, integrated planning for coordinated infrastructure investments, and innovative solutions” and that it should “[m]eet on a regular basis with municipal neighbors in Hudson County.”

**c. The Block 112 Project**

27. On or about April 17, 2019, Hoboken and Just Block entered into a redevelopment agreement for the redevelopment of Block 112 (the “Block 112 RDA”).

28. The original Block 112 RDA permitted the construction of two (2) buildings, including a residential building with a maximum building height of 116 feet above DFE, and an extended-stay hotel with a maximum building height of 166 feet above DFE, which were consistent with the Redevelopment Plan then in effect (the “Block 112 Project”).

29. At a meeting conducted on March 18, 2020, which was during the height of the COVID-19 pandemic, and which was closed to the public, the City Council introduced Ordinance B-255 which substantially increased the height of permitted structures within the Redevelopment Area pertaining to the Jefferson Street Sub-Area, to allow for residential buildings up to 186 feet above DFE, non-residential buildings up to 196 feet above DFE, and a hotel up to 216 feet above DFE.

30. These increases had the practical effect of adding approximately seven (7) stories to residential buildings and five (5) stories to hotels.

31. On April 15, 2020, the Hoboken City Council adopted Ordinance B-255 in its entirety.

32. After the adoption of Ordinance B-255, Mayor Stack expressed concern about the potential development and advised Hoboken of Union City's intention to file a lawsuit to enjoin the development.

33. In response to Mayor Stack's concerns, Mayor Bhalla gave Mayor Stack multiple verbal and written assurances that he would not permit development that would adversely impact Union City or exceed the height of the Palisades.

34. Notwithstanding Mayor Bhalla's assurances, the Block 112 RDA was amended on or about August 10, 2020 and January 13, 2021, to permit construction of three (3) towers of varying heights with a maximum height of 184 feet above DFE, exclusive of a twenty-two foot rooftop amenity area (the "Block 112 Project").

35. The height of the buildings proposed in the Block 112 Project significantly exceeded the height of the Palisades.

36. In 2021, Just Block sought preliminary and final major site plan approval from the Planning Board of the City of Hoboken (the "Planning Board") for the development of the first phase of the Block 112 Project (the "Block 112 Application").

37. On August 3, 2021, the Planning Board voted to deny the Block 112 Application, and issued a Resolution of Denial on September 14, 2021.

**d. The Block 106 Project**

38. On September 2, 2020, the City Council introduced Ordinance B-291 to amend the Western Edge Redevelopment Area pertaining to the Madison Street Sub-Area, which directly abuts the Palisades and Union City.

39. Ordinance B-291 sought to increase the total height of parcels in the Madison Street Sub-Area to 158 feet above DFE, plus additional rooftop height, substantially greater than that which was previously allowed.

40. On October 6, 2020, the Planning Board held a public meeting during which it adopted a resolution unanimously finding that Ordinance B-291 was inconsistent with the 2018 Master Plan.

41. Notwithstanding the Planning Board's determination, on October 21, 2020, the City Council adopted Ordinance B-291.

42. On or about October 21, 2020, Hoboken and HWE entered into an agreement for the redevelopment of Block 106, which was later amended on or about January 6, 2021 (the "Block 106 RDA").

43. The Block 106 RDA permitted the development of Block 106 with two mixed-use residential buildings, comprising no more than 701 residential units, with a maximum building height of 158 feet above DFE, exclusive of mechanical improvements and rooftop amenity area (the "Block 106 Project").

44. The height of the buildings proposed in the Block 106 Project significantly exceeded the height of the Palisades.

45. In 2021, HWE sought preliminary and final major site plan approval from the Planning Board for the development of the first phase of the Block 106 Project (the "Block 106 Application").

46. On November 4, 2021, the Planning Board voted to deny the Block 106 Application, and issued a Resolution of Denial on December 14, 2021, which was later amended on January 11, 2022.

**e. Mayor Bhalla's Repudiation of the Agreements**

47. Following execution of the Block 112 RDA and the Block 106 RDA (collectively, the "Redevelopment Agreements"), Mayor Bhalla publicly repudiated both Redevelopment Agreements.

48. Mayor Bhalla and Hoboken officials sought to renegotiate and reduce the building heights authorized by the Redevelopment Plan and Redevelopment Agreements.

49. Mayor Bhalla and Hoboken officials publicly stated that they would rescind Hoboken's obligations under the Redevelopment Agreements barring an agreement to reduce the building heights.

**f. The Lawsuit**

50. On October 29, 2021, Just Block and HWE commenced an action in the Superior Court of New Jersey captioned Just Block 112, LLC and Hoboken Western Edge, LLC v. City of Hoboken, et al., Docket No. HUD-L-4207-21, challenging the Planning Board's denials of the Block 112 and Block 106 Applications, and alleging various other contract and tort-based claims against Hoboken and Union City (the "Lawsuit").

51. On February 10, 2022, Union City filed a Third-Party Complaint against Hoboken seeking to void the multiple Ordinances and Resolutions which amended the Redevelopment Plan and Redevelopment Agreements, based on alleged statutory violations and a conflict of interest that existed between the Redevelopers and members of the City Council.

52. On April 4, 2023, the Court issued an Order remanding the Block 112 Application to the Planning Board for adoption of a Resolution consistent with the Court's decision.

53. Also, on April 4, 2023, the Court issued an Order remanding the Block 106 Application to the Planning Board for adoption of a Resolution consistent with the Court's decision.

54. Pursuant to the Court's direction, on May 2, 2023, the Planning Board adopted Resolution No. HOP-21-2, approving the Block 112 Application, and Resolution No. HOP-21-3, approving the Block 106 Application.

55. The parties continued to litigate the other claims encompassed in the Lawsuit.

**g. The Partial Settlement Agreements**

56. On or about September 4, 2024, the City Council adopted a resolution approving and authorizing the execution of partial settlement agreements with the Redevelopers which purport to settle the claims in the Lawsuit asserted by and against the Redevelopers and Hoboken (the "Resolution")<sup>1</sup>. A true and exact copy of the Resolution is attached as Exhibit A.

57. Attached to the Resolution were copies of the partial settlement agreements between the Redevelopers and Hoboken (collectively, the "Settlement Agreements"). A true and exact copy of the Settlement Agreements by and between

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<sup>1</sup> The Resolution and partial settlement agreements also purport to settle the claims involving the Planning Board, and Intervenor-Plaintiff American Legion Hoboken Post 107, Hoboken World War Veterans Holding Corp., d/b/a Veterans Center of Hoboken (the "Veterans Group").

Just Block and Hoboken is attached hereto as Exhibit B (the “Just Block Settlement Agreement”). A true and exact copy of the Settlement Agreement by and between HWE and Hoboken is attached hereto as Exhibit C (the “HWE Settlement Agreement”).

58. The claims asserted by the Redevelopers against Union City, as well as Union City’s third-party claims against Hoboken and the individual City Councilmembers, are excluded from the Resolution and the Settlement Agreements.

59. Although Hoboken touted the Settlement Agreements as a mechanism to resolve the Lawsuit and curtail litigation expenses in order to gain support from the public, this was untrue, because:

- a. the Settlement Agreements obligate Hoboken to “diligently, vigorously, and jointly defend” the interests of the Redevelopers automatically and without any discretion whatsoever. Particularly, the Settlement Agreements provide that in the event of any challenges to the Settlement, and any of the actions anticipated thereby, Hoboken is obligated to “diligently, vigorously, and jointly defend” any such challenges. The Settlement Agreements also extend the obligation to vigorously defend the interests of the Redevelopers to unknown and as yet unfiled future claims seeking to invalidate or otherwise challenge the Redevelopment Plan, or any amendments thereto, as well as any future claims seeking to invalidate or otherwise challenge related redevelopment agreements or amendments entered into between Hoboken and the Redevelopers.

- b. the Settlement Agreements do not dismiss or modify Union City's third-party claims, which claims remain pending and in which Hoboken and the individually named City Councilmembers, are required to fully participate notwithstanding the partial Settlement Agreements with the Redevelopers.

60. The Settlement Agreements contain various provisions that are contrary to well-settled statutory and case law, impose long-standing obligations upon Hoboken, the City Council, and the Planning Board, which are contrary to public policy, and circumvent and otherwise usurp the statutorily-mandated public processes required for developments the scope of which is contemplated by the Settlement Agreements and which will have an irreversible negative impact on Hoboken.

61. As such, the Resolution authorizing the entry into and execution of the Settlement Agreements was arbitrary, capricious, and unreasonable and is, thus, null and void. Specifically:

- a. neither of the Settlement Agreements include copies of the design plans for the proposed redevelopment projects. Rather, the Settlement Agreements provide that "concept plans for the Amended Project[s] shall be prepared by the Redeveloper and presented to Hoboken" on some later undisclosed date, and that such plans shall be approved. Thus, the Settlement Agreements blindly mandate the approval of both the Block 112 and Block 106 amended projects without depicting the details of how the projects will appear. This, despite the fact the HWE Settlement Agreement drastically changes the existing footprint for the

Block 106 Project by allowing the construction of an **additional 300** residential units, an additional **five** stories, and an additional **50 feet** of height, beyond what was originally contemplated in the Block 106 Project.

- b. The clear and unambiguous language of the Settlement Agreements seeks to remove the power of the Planning Board to independently review applications and submissions related to the proposed amended projects, and to reduce the Planning Board's function to nothing more than a "rubber stamp."
- c. The HWE Settlement Agreement further requires Hoboken to adopt an ordinance vacating the Monroe Street Right of Way and dedicating the vacated property to HWE for redevelopment as part of the Block 106 Project.
- d. The HWE Settlement Agreement requires Hoboken to immediately authorize and execute an Amended Redevelopment Agreement (i) permitting an additional five stories, and an increase in height of 50 feet, on each building over the heights set forth in the prior version of the Block 106 Project; (ii) permitting construction of up to 1,001 units on the Block 106 property (300 more units than originally contemplated in the Block 106 Project), allocation of which between and among the buildings will be within the sole discretion of the Redeveloper; (iii) permitting the Redeveloper, within its sole discretion, to construct

an additional, separate, age-restricted rental building; and  
(iv) dedicating the Monroe Street Right-of-Way to the Redeveloper.

- e. The Just Block Settlement Agreement allows maximum permitted building coverage at street level to be 90%, exclusive of all cantilevers, building extrusions, protrusions, canopies, awnings, and other improvements not directly touching the ground at street level. The HWE Settlement Agreement allows maximum permitted building coverage at street level to be 100%, exclusive of all cantilevers, building extrusions, protrusions, canopies, awnings, and other improvements not directly touching the ground at street level. Again, the Planning Board is divested of any input and/or discretion in this regard.
- f. The Just Block Settlement Agreement requires Hoboken to immediately authorize and execute an Amended Redevelopment Agreement providing the Redeveloper with the option to unilaterally convert the proposed 281-key hotel into a residential development of 281 units or a mixed-use development combining residential and hotel development. This decision is entirely within the discretion of the Redeveloper with no input whatsoever from the public and no ability on behalf of the governing boards to deny the same, and actually compels the Planning Board to grant preliminary and major site plan approval. The proposed Amended Redevelopment Agreement will further

provide development rights for an additional 300 residential units, in an undetermined location within the Western Edge Redevelopment Area.

- g. Both Settlement Agreements mandate amendments to the Western Edge Redevelopment Plan to comport with the proposed amended projects, while completely eliminating the need for any variances, design exceptions, submission waivers, or other requirements for the permitting, approval, or construction of the projects.
- h. Both Settlement Agreements eliminate LEED certification obligations for the construction of all buildings.
- i. Both Settlement Agreements provide the Redevelopers with a 30-year tax exemption.
- j. Both Settlement Agreements permit construction to occur all day every day, between the hours of 7:00 AM until 7:00 PM on weekdays, Saturdays, and federal holidays.

62. In exchange for the foregoing, the Settlement Agreements provide for community benefit payments to be made by the Redevelopers to Hoboken in the total sum of \$4,000,000, which is actually \$5,000,000 less than the \$9,000,000 in community benefit payments previously agreed to by and between Hoboken and the Redevelopers. In other words, the Settlement Agreements grant the Redevelopers several significant concessions, while simultaneously reducing the benefits to be realized in exchange by Hoboken.

63. Over the past three years, Hoboken denied Redevelopers' applications, litigated against Redevelopers, and diligently defended against Redevelopers' claims.

64. Now, more than three years into the litigation, Hoboken has abruptly reversed course without any explanation, and has delivered to Redevelopers everything they wanted.

65. In executing the Settlement Agreements, Mayor Bhalla inexplicably reneged on his assurances to Mayor Stack, abandoned his previous position that the proposed development is adverse to Hoboken's interests and, for a reason yet to be articulated, gave away his constituents' and his neighboring municipalities' interests.

66. In executing the Settlement Agreements, Hoboken is blindly approving massive development proposals, without any concept plans being prepared and presented to the City Council, the Planning Board and, most importantly, the public.

67. This is contrary to the interests of thousands of Hoboken property owners, residents, and taxpayers, none of whom had any voice in the agreements.

68. This is also contrary to the assurances made by Mayor Bhalla to Mayor Stack.

69. This is also contrary to the interests of Union City.

70. By structuring the Settlement Agreements the way it did, Hoboken is unlawfully circumventing the obligation for a public hearing pursuant to Whispering Woods at Bamm Hollow, Inc. v. Middletown Planning Bd., 220 N.J. Super. 161 (App. Div. 1987).

71. The Settlement Agreements are decidedly and overwhelmingly one-sided in favor of the interests of the Redevelopers and against the interests of Hoboken and presumably foisted upon Hoboken to avoid, and shield the public from, the conflict-of-interest claims made by Union City in the underlying Lawsuit.

72. The rights of Hoboken residents, property owners, and taxpayers should not be ignored and impaired by a settlement that benefits the Redevelopers to the detriment of everyone else.

### **COUNT I**

#### **ARBITRARY, CAPRICIOUS, AND UNREASONABLE GOVERNMENT ACTION**

73. Plaintiffs repeat the previous allegations.

74. A municipality, in enacting development legislation and regulation, has a duty to consider potential impacts on an adjacent municipality and its residents.

75. Hoboken's adoption of the Resolution authorizes execution of the Settlement Agreements which provide for the development of buildings of a height significantly greater than the Palisades and greater than what was previously allowed, demonstrates a lack of consideration to neighboring municipalities and the damage it would cause to the natural, scenic, economic, and historic integrity and aesthetics of the Palisades area of Union City.

76. The Resolution fails to provide a non-arbitrary justification for authorizing and agreeing to the terms of the proposed partial Settlement Agreements.

77 Adequate reasons for adoption of the Resolution and the proposed terms of the Settlement Agreements were not established and were not set forth on the record or in any meeting minutes.

78. The proposed amendments to the Redevelopment Plan, the Block 112 RDA, and the Block 106 RDA, fail to take into consideration the impact on surrounding municipalities, including Union City.

79. Hoboken failed to study or consider the environmental and visual impact that increasing the height of the buildings that could be constructed on the Properties would have on Union City.

80. Hoboken failed to analyze the effect and impact that the Settlement Agreements will have on Union City's viewshed.

81. The Settlement Agreements run contrary to written and oral commitments made by Mayor Bhalla and others he directed to deliver the message.

82. The Settlement Agreements are inconsistent with the Redevelopment Plan.

83. The Settlement Agreements are inconsistent with the 2018 Master Plan and Hoboken failed to give proper input from and consideration to adjoining municipalities as required by Hoboken's 2018 Master Plan.

84. The Settlement Agreements violate public policy in that they are overwhelmingly one-sided in favor of the interests of the Redevelopers and against the interests of Hoboken and its residents, property owners, and taxpayers, and unlawfully usurp the power of the Planning Board.

85. The Settlement Agreements violate the Local Redevelopment and Housing Law ("LRHL") and the Municipal Land Use Law ("MLUL") because they (a) blatantly by-pass the statutorily mandated redevelopment process; (b) constitute impermissible contract zoning; (c) effectively eliminate the statutorily mandated public participation; and (d) circumvent the necessity for a Whispering Woods hearing.

86. The Settlement Agreements further violate New Jersey law because they were entered into for an unlawful purpose, namely, to resolve certain claims in the

underlying litigation in an effort to conceal the prior wrongful acts of the City Council whose individual judgments with respect to prior iterations of the Redevelopment Plan and Redevelopment Agreements were materially affected by conflicts of interest.

87. As a result of the Settlement Agreements and the contemplated amendments to the Redevelopment Plan, amendments to the Block 112 RDA and Block 106 RDA, and the future development, the recreational, aesthetic, and environmental interests of Plaintiffs will be adversely affected.

88. Hoboken's adoption of the Resolution and Settlement Agreements was without basis in law or fact, contrary to fundamental principles of sound planning, contrary to public policy, and violative of the spirit and intent of the LRHL, the MLUL, and other governing law.

89. The actions of Hoboken in adopting the Resolution authorizing the execution of the Settlement Agreements were arbitrary, capricious, wrongful, and unlawful, and constitute a palpable abuse of discretion.

90. As a consequence of the arbitrary, capricious, and unreasonable actions of Hoboken set forth above, manifest injustice has been visited by Hoboken upon Union City and Mayor Stack, and the residents, property owners, and taxpayers in Hoboken.

WHEREFORE, Plaintiffs demand judgment against Hoboken:

- a. Declaring that the Resolution authorizing the Settlement Agreements between Just Block, HWE, Hoboken, the Planning Board, and the Veterans Group is null and void;

- b. Declaring that the execution of the Settlement Agreements was ultra vires and, thus, the Settlement Agreements are defective, voidable as a matter of law, and/or otherwise invalid and unenforceable;
- c. Enjoining Defendants from issuing any permits or development approvals under the prescripts of the Resolution, the Just Block Settlement Agreement, and/or the HWE Settlement Agreement;
- d. Awarding attorneys' fees and costs of suit; and
- e. Awarding such other and further relief as the Court may deem equitable and just.

## **COUNT II**

### **IMPERMISSIBLE CONTRACT ZONING**

91. Plaintiffs repeat the previous allegations.

92. The Resolution and Settlement Agreements conflict with the purposes of the MLUL, which the Legislature designed to ensure rational land-use planning, to balance the needs of affected property owners and the public, and to provide for public hearing.

93. The MLUL is designed to invite public participation at every step of the redevelopment process, requiring hearings for applications for development, adoption, revision, and/or amendment of the master plan, redevelopment plans, and redevelopment agreements.

94. A zoning ordinance adopted by a municipality must satisfy certain objective criteria and be adopted in accordance with statutory and municipal procedural requirements.

95. A municipality has no power to circumvent the substantive powers and procedural safeguards by contract with a private owner.

96. To permit such contract zoning would be to allow developers and municipalities to circumvent the appropriate statutory procedures and contravene the public policy considerations underscoring the MLUL.

97. Hoboken's adoption of the Resolution and Settlement Agreements was arbitrary, capricious, and unreasonable, constituted impermissible contract zoning, and should be declared null and void because Hoboken did not comply with procedures mandated by New Jersey statutes and case law.

98. The Settlement Agreements mandate Hoboken to act as follows:

- a. Hoboken **shall** adopt a Redevelopment Plan to comport with the proposed amended projects, without any attached concept plans, and while completely eliminating the need for any variances, design exceptions, submission waivers, or other requirements.
- b. Hoboken **shall** amend the Redevelopment Agreements which substantially increase the height of buildings, increase density, substantially change the maximum permitted building coverage at street level for each property and the manner of calculating same, and eliminate LEED certification obligations.
- c. Hoboken **shall** enter into a long-term tax exemption agreement with the Redevelopers under very favorable terms.

d. Hoboken **shall** defend the Settlement Agreements, coordinate and enter into a joint defense agreement with the Redevelopers, and **shall not** support any party contesting Hoboken and Redevelopers' actions.

99. In addition, the clear and unambiguous language of the Settlement Agreements seeks to completely remove the power and discretion of the Planning Board to independently review applications and submissions related to the proposed amended projects, compels the Planning Board to grant preliminary and major site plan approval, and reduces the Planning Board's function to nothing more than a "rubber stamp," without authority to review the concept plans.

100. By the Redevelopers' agreement to dismiss their claims against Hoboken on the expiration of all applicable appeal periods for the final site plan approval of the amended Projects, Hoboken has surrendered and bargained away its municipal obligations in contracts and settlement agreements at the expense of the common good.

101. In light of the adverse public policy implications, the Resolution and the Settlement Agreements are arbitrary, capricious, and unreasonable.

102. By adopting the Resolution and Settlement Agreements, Hoboken ignored and sidestepped several statutory requirements.

103. Such contract zoning is ultra vires and all proceedings to effectuate it are void.

WHEREFORE, Plaintiffs demand judgment against Hoboken:

- a. Declaring that the Resolution authorizing the Settlement Agreements between Just Block, HWE, Hoboken, the Planning Board, and the Veterans Group is null and void;
- b. Declaring that the execution of the Settlement Agreements was ultra vires and, thus, the Settlement Agreements are defective, voidable as a matter of law, and/or otherwise invalid and unenforceable;
- c. Enjoining Defendants from issuing any permits or development approvals under the prescripts of the Resolution, the Just Block Settlement Agreement, and/or the HWE Settlement Agreement;
- d. Awarding attorneys' fees and costs of suit; and
- e. Awarding such other and further relief as the Court may deem equitable and just.

### **COUNT III**

#### **PROMISSORY ESTOPPEL**

104. Plaintiffs repeat the previous allegations.

105. In 2020, Union City had the right to file a lawsuit to challenge the amendments to the Western Edge Redevelopment Plan and the Redevelopment Agreements, and to enjoin the proposed developments.

106. Mayor Bhalla made multiple promises to Union City that the developments would never exceed the height of the Palisades.

107. Mayor Bhalla made such promises with the intent and expectation that Union City would rely on same and withhold the filing of a lawsuit to prohibit the developments.

108. Union City reasonably relied upon the promises made by Mayor Bhalla.

109. By executing the Settlement Agreements, Mayor Bhalla reneged on his promises to Union City.

110. Union City has been damaged by its reasonable reliance on Mayor Bhalla's promises.

**WHEREFORE**, Plaintiffs demand judgment:

- a. Directing Mayor Bhalla to remove his signature and approval from the Settlement Agreements in both his individual and official capacity;
- b. Vacating the Settlement Agreements;
- c. Enjoining Defendants from issuing any permits or development approvals under the prescripts of the Settlement Agreements;
- d. Awarding attorneys' fees and costs of suit; and
- e. Awarding such other and further relief as the Court may deem equitable and just.

Chasan Lamparello Mallon & Cappuzzo, PC  
Attorneys for Plaintiffs the City of Union City  
and Brian P. Stack

By:   
Steven Menaker, Esq.

Dated: 10/1/24

**RULE 4:5-1 CERTIFICATION**

Plaintiffs, by their attorneys, hereby certify that the matter in controversy is not the subject of any other pending or contemplated judicial or arbitration proceeding, except to note that this action seeks to invalidate a Resolution of the City of Hoboken, which authorized the execution of partial settlement agreements to resolve claims comprised in the matter captioned Just Block 112, LLC and Hoboken Western Edge, LLC v. City of Hoboken, et al., Docket No. HUD-L-4207-21.

Plaintiffs further certify that to the best of their information, knowledge, and belief, there are no other parties who should be joined in this action.

**DESIGNATION OF TRIAL COUNSEL**

Plaintiffs hereby designate Steven Menaker, Esq., as trial counsel pursuant to R. 4:25-4.

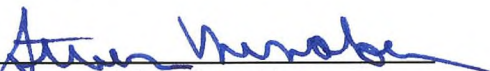
**CERTIFICATION PURSUANT TO R. 1:38-7(c)**

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with New Jersey Court Rule 1:38-7(b).

**CERTIFICATION PURSUANT TO R. 4:69-4**

I certify that I ordered or caused to be ordered all necessary transcripts of local agency proceedings related to this matter.

Chasan Lamparello Mallon & Cappuzzo, PC  
Attorneys for Plaintiffs the City of Union City and Brian P. Stack

By:   
Steven Menaker, Esq.

Dated: 10/1/24

# EXHIBIT A

**SPONSORED BY:**  
**SECONDED BY:**

**CITY OF HOBOKEN  
RESOLUTION NO.:**

**RESOLUTION OF THE CITY OF HOBOKEN AUTHORIZING THE  
EXECUTION OF SETTLEMENT AGREEMENTS WITH HOBOKEN  
WESTERN EDGE, LLC; JUST BLOCK 112, LLC; AMERICAN LEGION  
HOBOKEN POST 107, AND HOBOKEN WORLD WAR VETERANS  
HOLDING CORP., D/B/A VETERANS CENTER OF HOBOKEN**

**WHEREAS**, the City of Hoboken (the “**City**”) is a public body corporate and politic of the State of New Jersey, and, pursuant to N.J.S.A. 40A:12A-4 of the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “**LRHL**”), the City has determined to act as the “redevelopment entity” (as such term is defined at N.J.S.A. 40A:12A-3) for the Western Edge Redevelopment Area and to exercise the powers contained in the LRHL to facilitate redevelopment; and,

**WHEREAS**, Just Block 112, LLC (“**Just Block**”) is the owner of certain real property designated as Block 112, Lot 1 on the Official Tax Maps of the City and more commonly known as 1300 Jefferson Street, located in the Western Edge Redevelopment Area (the “**Redevelopment Area**”) which is governed by the Western Edge Redevelopment Plan (the “**Plan**”); and,

**WHEREAS**, Hoboken Western Edge, LLC (“**HWE**”, collectively with Just Block, the “**Plaintiffs**”) is the owner of certain real property designated as Block 106, Lot 1 on the Official Tax Maps of the City and more commonly known as 1200 – 1330 Madison Street, which also located in the Redevelopment Area and governed by the Plan; and,

**WHEREAS**, the Plaintiffs brought suit against the City, the City Council, and Ravinder Bhalla in his official capacity as the Mayor of Hoboken (collectively, the “**Hoboken Entities**”), the City Planning Board, as well as the City of Union City, in an action captioned Just Block 112, LLC and Hoboken Western Edge, LLC v. City of Hoboken et al., Docket No. HUD-L-4207-21 (“**Litigation**”); and,

**WHEREAS**, American Legion Hoboken Post 107, Hoboken World War Veterans Holding Corp., d/b/a Veterans Center of Hoboken (collectively, the “**Veterans Group**”) intervened in the Litigation; and

**WHEREAS**, in order to avoid costly litigation expenses, the Hoboken Entities wish to resolve the Litigation; and,

**WHEREAS**, the Plaintiffs, the Hoboken Entities, the City Planning Board and the Veterans Group (collectively, the “**Settling Parties**”) have negotiated settlement agreements, which are attached hereto as Exhibit A (the “**HWE Agreement**”) and Exhibit B (the “**Just Block Agreement**”, collectively the “**Settlement Agreements**”); and,

**WHEREAS**, the Hoboken Entities desire to enter into the Settlement Agreements; and,

**WHEREAS**, the City Council wishes to authorize execution of the Settlement Agreements on behalf of the Hoboken Entities for the purpose of memorializing the Settling Parties' understanding and setting forth in greater detail their respective undertakings, rights, and obligations.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Hoboken, County of Hudson, State of New Jersey, as follows:

**Section 1.** The aforementioned recitals are hereby incorporated by reference as if fully set forth herein.

**Section 2.** The City Council approves the Settlement Agreements with Plaintiffs and the Veterans Group in substantially the forms attached hereto as **Exhibit A** and **Exhibit B**, together with any changes, insertions, and omissions, after the Mayor's consultation with counsel to the Hoboken Entities, deem in their collective discretion to be necessary or desirable for the execution thereof.

**Section 3.** The Mayor, the Council President, the Business Administrator and other necessary and desirable City officials/employees and City consultants are authorized to execute, deliver, and administer the Settlement Agreements, and take any other necessary actions or refrain from taking actions, execute and deliver documents and/or agreements that are reasonable and necessary to effectuate the Settlement Agreements and this Resolution, in consultation with counsel.

**Section 4.** If any part of this Resolution shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Resolution.

**Section 5.** This Resolution shall take effect according to law.

**Meeting Date: September 4, 2024**

**APPROVED:**

**JASON FREEMAN**  
**BUSINESS ADMINISTRATOR**

**APPROVED AS TO FORM:**

**BRIAN ALOIA, ESQ.**  
**CORPORATION COUNSEL**

| ✓ Vote Record - CC - Resolution                                                                         |                 |  |                          |                          |                          |                          |
|---------------------------------------------------------------------------------------------------------|-----------------|--|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> Adopted<br><input type="checkbox"/> Denied<br><input type="checkbox"/> Carried |                 |  | Yes/Aye                  | No/Nay                   | Abstain/Alternate        | Absent                   |
|                                                                                                         | Phil Cohen      |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|                                                                                                         | James Doyle     |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|                                                                                                         | Tiffanie Fisher |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

|  |                   |  |                          |                          |                          |                          |
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|  | Emily Jabbour     |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|  | Paul Presinzano   |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|  | Joe Quintero      |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|  | Ruben Ramos       |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|  | Michael Russo     |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|  | Jennifer Giattino |  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

# EXHIBIT B

**PARTIAL SETTLEMENT AGREEMENT BETWEEN THE CITY OF HOBOKEN, MAYOR RAVINDER BHALLA, THE CITY COUNCIL OF THE CITY OF HOBOKEN, THE PLANNING BOARD OF THE CITY OF HOBOKEN, AMERICAN LEGION HOBOKEN POST 107, HOBOKEN WORLD WAR VETERANS HOLDING CORP. D/B/A VETERANS CENTER OF HOBOKEN, AND JUST BLOCK 112, LLC**

This Partial Settlement Agreement (“Settlement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2024 (“Effective Date”) between and among the City of Hoboken (“City”), Ravinder Bhalla as Mayor of the City (“Mayor”), the City Council of the City (“Council”), the Planning Board of the City (“Board”, and collectively with the City, Mayor and Council, “Hoboken”), American Legion Hoboken Post 107, Hoboken World War Veterans Holding Corp. d/b/a/ Veterans Center of Hoboken (collectively the “Veterans Group”) and Just Block 112, LLC (“Redeveloper”). Each of the City, the Mayor, the Council, the Board, and the Redeveloper is a “Party”, and collectively referred to as “Parties” to the Settlement.

Recitals

- A. Redeveloper is the owner and designated redeveloper for certain property located at 1300 Jefferson Street in the City, otherwise known as Block 112, Lot 1 (“Property”).
- B. The City, by and through the Mayor, and the Redeveloper entered into a redevelopment agreement for the redevelopment of the Property, dated April 17, 2019, subsequently amended September 18, 2019, August 10, 2020, and January 13, 2021 (“RDA”).
- C. The RDA permitted the development of the Property with two buildings inclusive of up to approximately 357 residential units, a 281-key hotel, a rooftop restaurant and lounge, commercial and retail components, and on-site parking and open space, among other related improvements (“Project”).
- D. Redeveloper sought preliminary and final major site plan approval for the development of the first phase of the Project on the Property from the Board in 2021, which was ultimately denied by the Board, resulting in litigation challenging such denial and alleging various contract-based breaches and other claims against Hoboken in a matter captioned as Just Block 112, LLC and Hoboken Western Edge, LLC v. City of Hoboken et al., Docket No. HUD-L-4207-21 (“Litigation”).
- E. On April 4, 2023, an Order for Remand to the Board was entered by the Superior Court of New Jersey, Law Division, Hudson Vicinage (“Court”) in the Litigation, remanding the Redeveloper’s application with regard to the first phase of the Project to the Board to adopt a resolution consistent with the April 4, 2023 Order.

- F. The Board adopted Resolution No. HOP-21-2 on May 2, 2023, approving Redeveloper's application for preliminary and final major site plan approval (the "2023 Site Plan Approval").
- G. In an effort to resolve a portion of the Litigation as it relates to the Property, the Parties have reached agreement as to the proposed development of the Property, allowing for the redevelopment of the Property in a timely fashion.
- H. As set forth herein, the Redeveloper will accept the ability to convert the proposed hotel to residential development at a future date at its sole option, additional residential units to be transferable within the Western Edge, and the adoption of a Financial Agreement, pursuant to the Long Term Tax Exemption Law, N.J.S.A 40A:20-1. et. seq., to render the proposed redevelopment of the Property economically feasible, in exchange for the settlement of all of the Redeveloper's claims against Hoboken.
- I. The Parties have conferred and determined to dismiss all claims between and among the Parties, subject to the terms and conditions as detailed in the Settlement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the undersigned Parties do hereby agree as follows:

1. Recitals. The foregoing recitals are incorporated herein by reference.
2. General Terms.
  - a. Diligent and Cooperative Joint Defense. In the event of any challenges to the Settlement, and any of the actions anticipated thereby, including any challenges from any party to the Litigation not a party to the Settlement or any other third party, the Parties shall diligently, vigorously, and jointly defend any such challenge and shall fully cooperate in furtherance of the Settlement. Such joint defense and cooperation shall include vigorous defense against any remaining claims in the Litigation or future claims seeking to invalidate or otherwise challenge the Western Edge Redevelopment Plan, or any amendments thereto ("Redevelopment Plan") or against any remaining claims in the Litigation or future claims seeking to invalidate or otherwise challenge related redevelopment agreements or amendments entered into between the City and the Redeveloper. Such joint defense and cooperation shall also include any future claims seeking to invalidate or otherwise challenge the adoption of any legislation by the Council or approvals by the Board, City, or any other governmental entity necessary to accomplish the objectives of the Settlement.
  - b. No Modifications Without Written Consent. No modifications to the Settlement may be made without written consent of the Parties.

- c. Partial Resolution. The Parties acknowledge the while the Settlement does resolve all claims between the Parties it does not resolve all claims raised in the Litigation by and among the Parties and the other parties to the Litigation. The Settlement shall not dismiss or modify claims by and among parties in the Litigation who are not Parties to the Settlement. Redeveloper does not waive any claims in the Litigation against the City of Union City or other non-Party defendants, except it does waive all claims against any elected, appointed, or employed individuals of Hoboken for actions taken prior to the Effective Date hereof. The Settlement does not preclude any Party's participation in the Litigation for discovery or other purposes related to claims remaining in the Litigation that are not part of the Settlement. No Party shall reference the Settlement as an argument against any discovery obligation or other participation in the Litigation, with which all Parties shall cooperate fully in the same manner as required prior to the Settlement, consistent with the New Jersey Court Rules and other applicable law.
3. Conditional Tolling. The Parties have agreed to the tolling of all claims between them in the Litigation, and to a dismissal of all such claims upon receipt of a final, unappealed, and unappealable site plan approval for the Amended Project from the Planning Board. Dismissal of claims between the Parties in the Litigation does not end the Parties' obligations under the Settlement. Failure to abide by the timelines set forth herein shall constitute a breach of the Settlement, and any Party may avail themselves of any and all remedies at law or equity, including requests for attorney's fees, in order to enforce the terms hereof. The terms of the Settlement shall be set forth in a stipulation or consent order to be so ordered which may be enforced by the Court in the event of non-compliance within the Litigation. This includes claims made by the Veterans Groups against Hoboken.
4. Approval of Amended Project; Amendments to Redevelopment Plan and RDA.
- a. Redeveloper has proposed phased development of 2 buildings on the Property within the maximum permitted development envelope, of 357 residential units, a possible conversion from hotel to residential development or a mix thereof in the second phase, at the Redeveloper's sole option, and a minimum of 15,000 square feet of retail space within buildings in the Jefferson Street Subarea, as well as on-site parking and other amenities ("Amended Project"). Concept plans for the Amended Project shall be prepared by the Redeveloper and presented to Hoboken for its review and comment, which comments shall be incorporated in good faith. For the avoidance of doubt, the Parties confirm that the 2023 Site Plan Approval granted preliminary and final major site plan approval to the first phase of the Project, and that same constitutes the first phase of the Amended Project.

- b. The Redevelopment Plan shall be amended, at no cost to the Redeveloper, to permit the Amended Project as further described herein and that no variances, design exceptions, submission waivers, or other relief is required for the permitting, approval, or construction of the Amended Project. To the extent any amendments of the Redevelopment Plan are required to comply with the terms of the Settlement, Hoboken shall adopt same within sixty (60) days of the Effective Date hereof. In the event of any procedural error or allegations thereof in the adoption of such changes required by this Section 4, Hoboken shall immediately and judiciously resolve any such error in a manner that does not affect the viability or permitted nature of the uses and density of the Amended Project.
- c. *Amendment of Redevelopment Agreement.* Within forty-five (45) days of the Effective Date hereof, the Council shall authorize, and the Mayor shall execute, an amendment to the RDA (“Amended RDA”), authorizing the following as a minimum:
- i. The option for the Redeveloper to convert the second phase (as previously defined in the RDA) of development on the Property, anticipated to be a 281-key hotel, into a residential development of no more than 281 units or a mixed-use development combining residential and hotel development within the permitted building envelope. In the event of such conversion, the following conditions shall apply to such a conversion (the “Residential Conversion Phase”):
    1. The height for the Residential Conversion Phase shall be permitted at the full height in feet permitted by the Redevelopment Plan or RDA for a hotel development taking advantage of all applicable bonuses as of the Effective Date.
    2. The Residential Conversion Phase would permit a minimum floor to floor height of approximately 9 feet 6 inches (9’6”) for all floors, excluding ground floor retail and parking, with no limitation on the number of stories, all within the existing permitted height in feet for the phase.
    3. 10% of the units in the Residential Conversion Phase shall be affordable housing units pursuant to UHAC, including compliance with bedroom distribution requirements.
    4. Ground floor retail for the Residential Conversion Phase shall be 12 feet or greater.
    5. Any units developed as part of the Residential Conversion Phase would be considered bonus units under the terms of the existing Redevelopment

Plan for purposes of determining unit size, bedroom configuration requirements, and parking requirements.

6. The Parties agree that neither the hotel nor the Residential Conversion Phase has been granted preliminary or final major site plan approval, and will therefore require approval by the Board.
- ii. Development rights for an additional 300 residential units, with all necessary additional square footage to develop such units (the “Transferable Units”). For the avoidance of doubt, the Transferable Units are in addition to those granted in the Residential Conversion Phase. Development of the Transferable Units remain subject to all necessary approvals by the Board and other governmental agencies.
  1. The Transferable Units may be developed within the Western Edge Redevelopment Area, the location of which shall fall within the maximum permitted development envelope on any property as allowed by the Redevelopment Plan, and such units would be considered bonus units under the terms of the existing Redevelopment Plan for purposes of determining unit size, bedroom configuration requirements, and parking requirements.
- iii. Community benefit payments by the Redeveloper under the RDA shall be \$1,000,000, to be paid in accordance with the existing phasing;
- iv. As the construction of the Amended Project will increase the number of teens and school aged children in the City, a one-time \$50,000 payment for teen supportive services, which will be paid to the City upon the expiration of all applicable appeal periods for the final site plan approval of the Amended Project;
- v. Maximum permitted building coverage at street level within the Jefferson Street Subarea shall be 90%, which shall be interpreted to exclude all cantilevers, building extrusions, protrusions, canopies, awnings, and other improvements not directly touching the ground at street level;
- vi. 10% of all residential units developed by or attributable to the Redeveloper shall be affordable housing units subject to UHAC requirements;
- vii. Elimination of LEED certification obligations for the construction of all buildings, but all buildings must be designed to satisfy LEED standards for new construction;
- viii. No additional parking requirement will be required for the Amended Project beyond the standards as presently set forth in the RDA;

- ix. A condition precedent to construction requiring the approval of a financial agreement from the Council and Mayor on terms consistent with Section 6 hereof, unless such the necessity of such a financial agreement is affirmatively waived in writing by the Redeveloper prior to any construction work starting on the Amended Project or any phase thereof;
- x. Construction of the Amended Project or any phase thereof will be permitted between 7:00 AM until 7:00 PM on weekdays, and on Saturdays and federal holidays, pursuant to Chapter 133 of the City of Hoboken Code, unless such a request is affirmatively waived in writing by the Redeveloper, and that Redeveloper agrees to not perform any pile driving on Saturdays and outside the hours set under Chapter 133;
- xi. Addition of language confirming the Amended Project is exempt from any and all future changes in the Redevelopment Plan and ordinances of the City that may negatively affect, impact, or interfere with the financial feasibility or the development of the Amended Project, other than generally applicable real estate property tax increases or special assessments, or general legislation applied uniformly throughout the City;
- xii. Authorization of the use of the second phase of the Property for construction staging, material storage, material preparation and delivery, cement mixing, and preparation/delivery, water storage, steel fabrication/assembly, machinery use and storage, equipment use and storage, temporary construction uses, crane assembly or storage, loading, unloading, and parking; and
- xiii. The amendment shall expressly allow development of the Amended Project, whether in whole or phases, consistent with the terms of this Settlement.

5. Planning Board Review of Amended Project (or Phases thereof).

- a. The provisions of this subsection shall govern all future applications for development for the Amended Project proposed by Redeveloper, inclusive of any amendments to those portions of the Amended Project which had previously been approved by the Board.
- b. The City shall provide a certified list of all property owners upon request and without charge to the Redeveloper within seven (7) days of request therefor, as required by N.J.S.A. 40:55D-12(c).
- c. All comment letters from the Board professionals and the City's Floodplain Administrator shall be on file with the Board and the Redeveloper not less than fifteen (15) days prior to any hearing on the Amended Project, provided that all documents required for

completeness have been provided to the Board at least 30 days prior to any hearing on the Amended Project. If the Board professionals fail to issue such review letters by the required deadline, they will have been deemed to have waived any opportunity to comment on the application for development. To the extent the Redeveloper wishes to revise plans in response to the review letters received, all such revisions shall be submitted no later than 10 days prior to the hearing. If such a revision is submitted, the Board professionals and the City's Floodplain Administrator shall issue any review letters not later than 5 days prior to the hearing. The Floodplain Administrator shall permit any proposed flood regulation system which comports with applicable local, state, or federal regulations related to flood prevention, and may not demand standards in excess thereof.

- d. The Redeveloper shall provide notice consistent with N.J.S.A. 40:55D-12 for the application for development.
  - e. The Board shall grant all applications for development relative to the Amended Project subject to reasonable, non-materially-cost-generative conditions as may be imposed by the Board, and not in conflict with the terms of the Amended RDA or this Settlement.
  - f. A resolution of approval memorializing such approval shall be adopted within 45 days of the hearing on the application for development.
  - g. In the event that the Board is either unwilling or unable to satisfy the conditions hereof, Redeveloper may petition the Court on short notice to direct the appointment of a special hearing officer to review and approve any application for development on the timelines herein. In the event such motion is granted, and such appointment is made, the City shall be responsible for all fees and costs related thereto, including any and all attorney's fees incurred by Redeveloper in seeking the grant of same, and the full costs of review by the special hearing officer.
6. Financial Agreement.
- a. The Parties agree the development of the Property requires certain incentives to assure its economic feasibility, and that seeking a long term tax exemption falls within the scope of such incentives to assure economic feasibility. The Parties further agree that the Settlement is conditioned on the timely execution of a financial agreement granting a long term tax exemption between the Redeveloper and the City and that failure by the City to grant same represents a material breach hereof.
  - b. Following the Redeveloper's submission of a complete application for a long term tax exemption satisfying all statutory requirements for any phase of the Amended Project, the Mayor shall review and provide comment on same within 30 days and recommend to the

Council the adoption of an ordinance authorizing the execution of a financial agreement related to the Property on the terms hereof.

- c. Such long term tax exemption shall be on such terms as set forth below:
  - i. Annual service charge not to exceed 10.0% of annual gross revenue;
    - 1. Annual gross revenues shall be defined as all rental income derived from the Amended Project paid to the Redeveloper (or its affiliates) and any and all fees related to the Amended Project, including, but not limited to, those related to applications or administrative fees, pets, amenities, move in/move out, equipment rental, common area space rentals, rental rents, transportation services or rentals, and parking paid to the Redeveloper (or its affiliates) (“Annual Gross Revenue”);
  - ii. Staged increases as follows: Years 1-6 at 0% of otherwise applicable taxes, Years 7-12 at 20% of otherwise applicable taxes; Years 13-18 at 40% of otherwise applicable taxes; Years 19-24 at 60% of otherwise applicable taxes, Years 25-30 at 80% of otherwise applicable taxes, with a total term for each phase of 30 years from the date of issuance of a final certificate of occupancy for that phase of the Amended Project; and
  - iii. An administration fee of \$10,000.
- d. Provided the Financial Agreement meets the statutory requirements for a long term tax exemption, the Council shall approve the appropriate ordinance and the Mayor shall execute the proposed financial agreement, all within 60 days of the recommendation from the Mayor to the Council in subsection 6(b) above.
- e. In the event that the Council or Mayor are either unwilling or unable to satisfy the conditions hereof, Redeveloper may petition the Court on short notice to direct the issuance of an ordinance granting the Redeveloper for a long term tax exemption as a motion in aid of litigant’s rights and award a tax abatement to Redeveloper on the terms set forth herein. In the event such motion is granted, the City shall be responsible for all fees and costs related thereto, including any and all attorney’s fees incurred by Redeveloper in seeking the grant of same. In the event of any procedural error or allegations thereof in the adoption of the Financial Agreement required by this Section 6, Hoboken shall immediately and judiciously resolve any such error in a manner that does not affect the viability or permitted nature of the uses and density of the Amended Project.
- f. This provision is without prejudice to any other form of incentive Redeveloper may seek from any governmental entity or agency.

7. Dismissal of Claims Upon Final Nonappealable Site Plan Approval. Upon the expiration of all applicable appeal periods for the final site plan approval of the Amended Project, Redeveloper shall enter into releases and a consent order with Hoboken, dismissing all claims between Redeveloper and Hoboken with prejudice.
8. Disputes; Enforcement.
  - a. The Settlement shall be governed by the laws of the State of New Jersey. All disputes arising hereunder shall be heard by the Court. To the extent any Party wishes to seek to enforce the terms of the Settlement, that Party may petition the Court on short notice to hear and consider the application of the Party directly as a motion in aid of litigant's rights. In the event such motion is granted, the Party against whom relief is sought shall be responsible for all fees and costs related thereto, including any and all attorney's fees incurred by the enforcing Party in seeking same.
  - b. In the event Redeveloper is later unable to take advantage of any of the benefits of the Settlement as part of the development of the Property, based on any development moratorium or other impediment, whether express or implied, by way of changes in federal, state, or local legislation, changes in regulation, or changes in local Code which renders the Redeveloper's use of any of the benefits of the Settlement infeasible or impossible ("Legal Obstruction"), such an impediment to the objectives of the Settlement shall be considered by all parties a material frustration of purpose of the Settlement. The Parties recognize that, as this Settlement and the representations herein are an inducement to the dismissal of claims between the Parties in return for value gained by the Redeveloper through the benefits enumerated herein to the Amended Project, and that any such frustration of purpose by a Legal Obstruction materially affects the consideration granted in the Settlement to the Redeveloper. Redeveloper is relying upon the Settlement to partially offset damages accrued, but does not waive any claims in the Litigation against the City of Union City or other non-Party defendants. In the event of such a Legal Obstruction or other action by a third party to impede the objectives of the Settlement, the City shall join and vigorously prosecute any legal action contesting the Legal Obstruction, including any good faith affirmative litigation brought by the Redeveloper challenging the Legal Obstruction.
  - c. In addition, for any Legal Obstruction that is not enjoined within 4 months of going into effect, or at the time any such injunction ends, the City shall provide commercially equivalent compensation (other than a payment from Hoboken) for any lost value to Redeveloper caused by such Legal Obstruction, to be negotiated by the Parties in good

faith. For the avoidance of doubt, Hoboken shall have no financial obligation to the Redeveloper resulting from a Legal Obstruction, and the Litigation shall remain tolled pursuant to Section 3.

9. No Admission. Each Party acknowledges that the Settlement is being entered into as a compromise of disputes and is without admission of fault, liability, responsibility, or wrongdoing by any of the Parties hereto. Further, nothing in the Settlement shall constitute or be treated as an admission or evidence that any Party violated any federal, state, or local law, regulation, rule or statute, or any common law right sounding in contract, tort, or otherwise.
10. Waiver. The failure of any Party to insist on compliance with any of the terms or provisions of the Settlement or the waiver thereof, in any instance, shall not be deemed or construed as a waiver or relinquishment by such Party of such provision in any other instance or as a waiver or relinquishment by such Party of any other provision of the Settlement.
11. Authority. Each Party represents and warrants that the person signing below has the authority to execute this Agreement on behalf of and to bind such Party, that no further signatures are required, and that all required resolutions of authorization have been lawfully adopted.
12. Notices. All notices, demands, requests or other communications required or permitted to be given pursuant to the Settlement shall be in writing and: (i) delivered personally; (ii) sent by certified mail, return receipt requested; or (iii) sent by a recognized overnight mail or courier service, with delivery receipt requested, to the following addresses (or to such other address as may from time to time be specified in writing by such person). A notice or communication which is mailed or personally delivered shall be deemed to be given and received on the actual date of receipt. Copies of such notices may be delivered to any party by electronic mail as well, but same shall not be considered notice pursuant to this section without an additional hard copy notice, unless receipt of such hard copy notice is waived by the receiving party.

a. To the Redeveloper:

Just Block 112, LLC  
ATTN: Mark Luis Villamar, Managing Member  
1414 Grand Street, Suite 204  
Hoboken, New Jersey 07030

with a copy to:

Gibbons P.C.  
ATTN: Cameron W. MacLeod, Esq  
One Gateway Center  
Newark, New Jersey 07102

b. To the City:

City of Hoboken  
ATTN: City Clerk

94 Washington Street  
Hoboken, New Jersey 07030

with a copy to: McManimon Scotland & Baumann, LLC  
ATTN: Joseph P. Baumann, Jr.  
75 Livingston Avenue, Suite 204  
Roseland, New Jersey 07068

c. To the Board: City of Hoboken Planning Board  
ATTN: Planning Board Chairperson  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to: Weiner Law Group

d. To the Mayor: City of Hoboken  
ATTN: Mayor  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to: Gerry Krovatin, Esq.

e. To the Council: City of Hoboken City Council  
ATTN: City Council President  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to: McManimon Scotland & Baumann, LLC  
ATTN: Joseph P. Baumann, Jr.  
75 Livingston Avenue, Suite 204  
Roseland, New Jersey 07068

f. To the Veterans Group: Craig Domalewski, Esq.  
Dughi, Hewit, & Domalewski, P.C.  
340 North Avenue  
Cranford, NJ 07016

with a copy to: []

13. Effective Date. The Settlement shall become effective on the date of the Parties' exchange of all fully executed signature pages for the Settlement.

14. Counterparts. The Settlement may be executed in any number of counterparts, each of which shall be deemed an original, and such instruments shall together constitute one and the same agreement.

15. Entire Agreement. The Settlement contains the entire agreement between the Parties with respect to the subject matter hereof. The Settlement shall be modified only by a writing signed by all Parties.

**[Remainder of Page Intentionally Blank; Signatures Follow on Next Page]**

DRAFT

**INTENDING TO BE LEGALLY BOUND**, the Parties hereto have agreed to the terms of the Settlement on this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Attest:

**JUST BLOCK 112, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Mark Luis Villamar

Title: Managing Member

Attest:

**CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Ravinder Bhalla

Title: Mayor

Attest:

**CITY COUNCIL OF THE CITY OF  
HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Jen Giattino

Title: Council President

Attest:

**PLANNING BOARD OF THE CITY OF  
HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Frank Magaletta

Title: Chairman

Attest:

**MAYOR OF THE CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Ravinder Bhalla

Title: Mayor

Attest:

**AMERICAN LEGION HOBOKEN POST 107,  
HOBOKEN WORLD WAR VETERANS  
HOLDING CORP. D/B/A VETERANS  
CENTER OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

DRAFT

# EXHIBIT C

**PARTIAL SETTLEMENT AGREEMENT BETWEEN THE CITY OF HOBOKEN, MAYOR RAVINDER BHALLA, THE CITY COUNCIL OF THE CITY OF HOBOKEN, THE PLANNING BOARD OF THE CITY OF HOBOKEN, AMERICAN LEGION HOBOKEN POST 107, HOBOKEN WORLD WAR VETERANS HOLDING CORP. D/B/A VETERANS CENTER OF HOBOKEN, AND HOBOKEN WESTERN EDGE, LLC**

This Partial Settlement Agreement (“Settlement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2024 (“Effective Date”) between and among the City of Hoboken (“City”), Ravinder Bhalla as Mayor of the City (“Mayor”), the City Council of the City (“Council”), the Planning Board of the City (“Board,” and collectively with the City, Mayor and Council, “Hoboken”), American Legion Hoboken Post 107, Hoboken World War Veterans Holding Corp. d/b/a/ Veterans Center of Hoboken (collectively the “Veterans Group”) and Hoboken Western Edge, LLC (“Redeveloper”). Each of the City, the Mayor, the Council, the Board, and the Redeveloper is a Party, and collectively they are the Parties to this Settlement.

Recitals

- A. Redeveloper is the owner and designated redeveloper for certain property located at 1200-1330 Madison Street in the City, otherwise known as Block 106, Lot 1 (“Property”).
- B. The City, by and through the Mayor, and the Redeveloper entered into a redevelopment agreement for the redevelopment of the Property, dated October 21, 2020, which was supplemented by way of a further agreement dated January 6, 2021 (“RDA”).
- C. The RDA permitted the development of the Property with two buildings inclusive of up to approximately 701 residential units, approximately 100,000 sf of commercial space, approximately 78,000 sf of retail space, and associated on-site parking and open space, among other improvements (“Project”).
- D. Redeveloper sought preliminary and final major site plan approval for the development of the first phase of its Project on the Property from the Board in 2021, which was ultimately denied by the Board, resulting in litigation challenging such denial and alleging various contract-based breaches and other claims against Hoboken in a matter captioned as Just Block 112, LLC and Hoboken Western Edge, LLC v. City of Hoboken et al., Docket No. HUD-L-4207-21 (“Litigation”).
- E. On April 4, 2023, the Court in the Litigation issued an Order for Remand, which remanded Redeveloper’s application on the Property back to the Board to adopt a Resolution consistent with the Court’s decision, which found certain portions of the Planning Board’s previous denial to be arbitrary, capricious, and unreasonable.

- F. The Planning Board, following such Order, adopted Resolution No. HOP-21-3 on May 2, 2023, approving Redeveloper's application for development (the "2023 Site Plan Approval").
- G. In an effort to resolve a portion of the Litigation as it relates to the Property, the Parties have reached agreement as to the proposed development of the Property, allowing for the redevelopment of the Property in a timely fashion.
- H. As set forth herein, the Redeveloper will accept additional residential density within the permitted massing of the building, the vacation and dedication of additional right of way adjacent to the Property as part of the proposed development, and the adoption of a Financial Agreement, pursuant to the Long Term Tax Exemption Law, N.J.S.A 40A:20-1. et. seq., to render the redevelopment of the Property economically feasible, in exchange for the settlement of all of the Redeveloper's claims against Hoboken.
- I. The Parties have conferred and determined to dismiss all claims between and among the Parties, subject to the terms and conditions as detailed in the Settlement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the undersigned Parties do hereby agree as follows:

- 1. Recitals. The foregoing recitals are incorporated herein by reference.
- 2. General Terms.
  - a. Diligent and Cooperative Joint Defense. In the event of any challenges to the Settlement, and any of the actions anticipated thereby, including any challenges from any party to the Litigation not a party to the Settlement or any other third party, the Parties shall diligently, vigorously, and jointly defend any such challenge and shall fully cooperate in furtherance of the Settlement. Such joint defense and cooperation shall include vigorous defense against any remaining claims in the Litigation or future claims seeking to invalidate or otherwise challenge the Western Edge Redevelopment Plan, or any amendments thereto ("Redevelopment Plan") or against any remaining claims in the Litigation or future claims seeking to invalidate or otherwise challenge related redevelopment agreements or amendments entered into between the City and the Redeveloper. Such joint defense and cooperation shall also include any future claims seeking to invalidate or otherwise challenge the adoption of any legislation by the Council or approvals by the Board, City, or any other governmental entity necessary to accomplish the objectives of the Settlement.
  - b. No Modifications Without Written Consent. No modifications to the Settlement may be made without written consent of the Parties.

- c. Partial Resolution. The Parties acknowledge that while the Settlement does resolve all claims between the Parties it does not resolve all claims raised in the Litigation by and among the Parties and the other parties to the Litigation. The Settlement shall not dismiss or modify claims by and among parties in the Litigation who are not Parties to the Settlement. Specifically, Redeveloper does not waive any claims in the Litigation against the City of Union City or other non-Party defendants, except it does waive all claims against any elected, appointed, or employed individuals of Hoboken for actions taken prior to the Effective Date hereof. The Settlement does not preclude any Party's participation in the Litigation for discovery or other purposes related to claims remaining in the Litigation that are not part of the Settlement. No Party shall reference the Settlement as an argument against any discovery obligation or other participation in the Litigation, with which all Parties shall cooperate fully in the same manner as required prior to the Settlement, consistent with the New Jersey Court Rules and other applicable law.
3. Conditional Tolling. The Parties have agreed to the tolling of all claims between them in the Litigation, and to a dismissal of all such claims upon receipt of a final, unappealed, and unappealable site plan approval for the Amended Project from the Planning Board. Dismissal of claims between the Parties in the Litigation does not end the Parties' obligations under the Settlement. Failure to abide by the timelines set forth herein shall constitute a breach of the Settlement, and any Party may avail themselves of any and all remedies at law or equity, including requests for attorney's fees, in order to enforce the terms hereof. The terms of the Settlement shall be set forth in a stipulation or consent order to be so ordered which may be enforced by the Court in the event of non-compliance within the Litigation. This includes claims made by the Veterans Groups against Hoboken.
4. Approval of Amended Project; Vacation of Right of Way; Amendments to Redevelopment Plan and RDA.
- a. Redeveloper proposes the phased development for at least 2 buildings on the Property, and the proposed development of 1001 residential units (300 more residential units than in the Project), approximately 50,000 sf of retail space within buildings on the Property, as well as on-site parking and other amenities ("Amended Project"). The Parties agree the Redevelopment Plan shall be amended, at no cost to the Redeveloper, to permit the Amended Project and that no variances, design exceptions, submission waivers, or other relief is required for the permitting, approval, or construction of the Amended Project. Concept plans for the Amended Project shall be prepared by the Redeveloper and presented to Hoboken for its review and comment, which comments shall be incorporated in good

faith. To the extent any amendments of the Redevelopment Plan are required to comply with the terms of the Settlement, Hoboken shall adopt same within 60 days of the Effective Date hereof. In the event of any procedural error or allegations thereof in the adoption of such changes required by this Section 4, Hoboken shall immediately and judiciously resolve any such error in a manner that does not affect the viability or permitted nature of the uses and density of the Amended Project.

- b. *Vacation of the Monroe Street Right of Way and Dedication of Right-of-Way to Redeveloper.* Within 60 days of the Effective Date hereof, the City shall adopt an ordinance vacating the Monroe Street Right of Way and dedicating the vacated property to the Redeveloper for redevelopment as part of the Project to be utilized, in part, as a segment of the Linear Park (as previously defined in the Redevelopment Agreement), sometimes referred to as the Green Circuit. For the avoidance of doubt, the Monroe Street Right-of-Way has previously been identified as part of an area in need of redevelopment by the City, and will be incorporated, upon its vacation, into the Property.
- c. *Amendment of Redevelopment Agreement.* Within forty-five (45) days of the Effective Date hereof, the Council shall authorize, and the Mayor shall execute, an amendment to the RDA (the “Amended RDA”), authorizing the following as a minimum:
  - i. The Amended Project shall be permitted to include five additional stories, and an increase in height of 50 feet, on each building over the heights set forth in the 2023 Site Plan Approval and the RDA.
  - ii. The construction of up to 1,001 units on the Property. All allocation of units between and among any buildings proposed may be adjusted in the sole discretion of the Redeveloper within the permitted building envelope, and all additional units and necessary additional square footage to develop such units shall be considered bonus units under the terms of the existing Redevelopment Plan for purposes of determining unit size, bedroom configuration requirements, and parking requirements. For the avoidance of doubt, the 1,001 unit limitation of this paragraph does not include any units constructed or proposed pursuant to development rights transferred to this Property. Any transferred units must be constructed within the permitted building envelope for the Amended Project.
  - iii. As part of the 1,001 residential units, the construction of an age-restricted rental building, in addition to the buildings presently permitted by the RDA, as part of the redevelopment, solely at the Redeveloper’s option.

- iv. 10% of the units shall be affordable housing units pursuant to UHAC, including compliance with bedroom distribution requirements.
- v. Vacation of the Monroe Street Right-of-Way and dedication of the Monroe Street right of way to the Redeveloper, to be used, in part, as a segment of the Linear Park/Green Circuit.
- vi. Elimination of the requirement for the construction of office space within the buildings.
- vii. Confirming the maximum permitted building coverage at street level as 100%, which shall be interpreted to exclude all cantilevers, building extrusions, protrusions, canopies, awnings, and other improvements not directly touching the ground at street level.
- viii. The Amended Project shall be required to provide no more than 10,000 square feet of publicly accessible open space, which may be inclusive of the Linear Park/Green Circuit.
  - 1. The Linear Park/Green Circuit shall be located along the western boundary of the Property, incorporated into both Phases of the Amended Project, extending from the intersection of Twelfth and Monroe Streets at the southern end of the Property toward the north, terminating at Madison Street on the Property's northern boundary.
  - 2. The Linear Park/Green Circuit shall contain a two-way recreation path having a useable width of not more than 12 feet with a sport finished surface. Consistent with the RDA, all final designs within the Linear Park/Green Circuit shall be subject to review and comment by the Director and Director of Environmental Services prior to construction, which comments shall be incorporated in good faith.
- ix. Community benefit payments by the Redeveloper under the RDA shall be \$3,000,000, to be paid in accordance with the existing phasing.
- x. As the construction of the Amended Project will increase the number of seniors in the City, a one-time \$50,000 payment for senior supportive services, which will be paid to the City upon the expiration of all applicable appeal periods for the final site plan approval of the Amended Project;
- xi. Elimination of LEED certification obligations for the construction of all buildings, but all buildings must be designed to satisfy LEED standards for new construction.

- xii. No additional parking requirement will be required for this Amended Project beyond the standards as presently set forth in the RDA.
- xiii. A condition precedent to construction requiring the approval of a financial agreement from the Council and Mayor on terms consistent with Section 6 hereof, unless such the necessity of such a financial agreement is affirmatively waived in writing by the Redeveloper prior to any construction work starting on the Amended Project or any phase thereof.
- xiv. Construction of the Amended Project or any phase thereof will be permitted between 7:00 AM until 7:00 PM on weekdays, and on Saturdays and federal holidays, pursuant to Chapter 133 of the City of Hoboken Code, unless such a request is affirmatively waived in writing by the Redeveloper, and that Redeveloper agrees to not perform any pile driving on Saturdays and outside the hours set under Chapter 133.
- xv. Addition of language confirming the Amended Project is exempt from any and all future changes in the Redevelopment Plan and ordinances of the City that may negatively affect, impact, or interfere with the financial feasibility or the development of the Amended Project, other than generally applicable real estate property tax increases or special assessments, or general legislation applied uniformly throughout the City.
- xvi. Authorization of the use of any undeveloped phase of the Property for construction staging, material storage, material preparation and delivery, cement mixing, and preparation/delivery, water storage, steel fabrication/assembly, machinery use and storage, equipment use and storage, temporary construction uses, crane assembly or storage, loading, unloading, and parking.
- xvii. The amendment shall expressly allow development of the Amended Project, whether in whole or phases, consistent with the terms of this Settlement.

5. Planning Board Review of Amended Project (or Phases thereof).

- a. The provisions of this subsection shall govern all future applications for development for the Amended Project proposed by Redeveloper, inclusive of any amendments to those portions of the Amended Project which had previously been approved by the Board.
- b. The City shall provide a certified list of all property owners upon request and without charge to the Redeveloper within seven (7) days of request therefor, as required by N.J.S.A. 40:55D-12(c).

- c. All comment letters from the Board professionals and the City's Floodplain Administrator shall be on file with the Board and the Redeveloper not less than fifteen (15) days prior to any hearing on the Amended Project, provided that all documents required for completeness have been provided to the Board at least 30 days prior to any hearing on the Amended Project. If the Board professionals fail to issue such review letters by the required deadline, they will have been deemed to have waived any opportunity to comment on the application for development. To the extent the Redeveloper wishes to revise plans in response to the review letters received, all such revisions shall be submitted no later than 10 days prior to the hearing. If such a revision is submitted, the Board professionals and the City's Floodplain Administrator shall issue any review letters not later than 5 days prior to the hearing. The Floodplain Administrator shall permit any proposed flood regulation system which comports with applicable local, state, or federal regulations related to flood prevention, and may not demand standards in excess thereof.
  - d. The Redeveloper shall provide notice consistent with N.J.S.A. 40:55D-12 for the application for development.
  - e. The Board shall grant all applications for development relative to the Amended Project subject to reasonable, non-materially-cost-generative conditions as may be imposed by the Board, and not in conflict with the terms of the Amended RDA or this Settlement.
  - f. A resolution of approval memorializing such approval shall be adopted within 45 days of the hearing on the application for development.
  - g. In the event that the Board is either unwilling or unable to satisfy the conditions hereof, Redeveloper may petition the Court on short notice to direct the appointment of a special hearing officer to review and approve any application for development on the timelines herein. In the event such motion is granted, and such appointment is made, the City shall be responsible for all fees and costs related thereto, including any and all attorney's fees incurred by Redeveloper in seeking the grant of same, and the full costs of review by the special hearing officer.
6. Financial Agreement.
- a. The Parties agree the development of the Property requires certain incentives to assure its economic feasibility, and that seeking a long term tax exemption falls within the scope of such incentives to assure economic feasibility. The Parties further agree that the Settlement is conditioned on the timely execution of a financial agreement granting a long term tax exemption between the Redeveloper and the City and that failure by the City to grant same represents a material breach hereof.

- b. Following the Redeveloper's submission of a complete application for a long term tax exemption satisfying all statutory requirements for any phase of the Amended Project, the Mayor shall review and provide comment on same within 30 days and recommend to the Council the adoption of an ordinance authorizing the execution of a financial agreement related to the Property on the terms hereof.
- c. Such long term tax exemption shall be on such terms as set forth below:
  - i. Annual service charge not to exceed 10.0% of annual gross revenue;
    - 1. Annual gross revenues shall be defined as all rental income derived from the Amended Project paid to the Redeveloper (or its affiliates) and any and all fees related to the Amended Project, including, but not limited to, those related to applications or administrative fees, pets, amenities, move in/move out, equipment rental, common area space rentals, rental rents, transportation services or rentals, and parking paid to the Redeveloper (or its affiliates) ("Annual Gross Revenue");
  - ii. Staged increases as follows: Years 1-6 at 0% of otherwise applicable taxes, Years 7-12 at 20% of otherwise applicable taxes; Years 13-18 at 40% of otherwise applicable taxes; Years 19-24 at 60% of otherwise applicable taxes, Years 25-30 at 80% of otherwise applicable taxes, with a total term for each phase of 30 years from the date of issuance of a final certificate of occupancy for that phase of the Amended Project; and
  - iii. An administration fee of \$10,000.
- d. Provided the Financial Agreement meets the statutory requirements for a long term tax exemption, the Council shall approve the appropriate ordinance and the Mayor shall execute the proposed financial agreement, all within 60 days of the recommendation from the Mayor to the Council in subsection 6(b) above.
- e. In the event that the Council or Mayor are either unwilling or unable to satisfy the conditions hereof, Redeveloper may petition the Court on short notice to direct the issuance of an ordinance granting the Redeveloper for a long term tax exemption as a motion in aid of litigant's rights and award a tax abatement to Redeveloper on the terms set forth herein. In the event such motion is granted, the City shall be responsible for all fees and costs related thereto, including any and all attorney's fees incurred by Redeveloper in seeking the grant of same. In the event of any procedural error or allegations thereof in the adoption of the Financial Agreement required by this Section 6, Hoboken shall immediately and

judiciously resolve any such error in a manner that does not affect the viability or permitted nature of the uses and density of the Amended Project.

- f. This provision is without prejudice to any other form of incentive Redeveloper may seek from any governmental entity or agency.
7. Dismissal of Claims Upon Final Nonappealable Site Plan Approval. Upon the expiration of all applicable appeal periods for the final site plan approval of the Amended Project, Redeveloper shall enter into releases and a consent order with Hoboken, dismissing all claims between Redeveloper and Hoboken with prejudice.
8. Disputes; Enforcement.
  - a. The Settlement shall be governed by the laws of the State of New Jersey. All disputes arising hereunder shall be heard by the Court. To the extent any Party wishes to seek to enforce the terms of the Settlement, that Party may petition the Court on short notice to hear and consider the application of the Party directly as a motion in aid of litigant's rights. In the event such motion is granted, the Party against whom relief is sought shall be responsible for all fees and costs related thereto, including any and all attorney's fees incurred by the enforcing Party in seeking same.
  - b. In the event Redeveloper is later unable to take advantage of any of the benefits of the Settlement as part of the development of the Property, based on any development moratorium or other impediment, whether express or implied, by way of changes in federal, state, or local legislation, changes in regulation, or changes in local Code which renders the Redeveloper's use of any of the benefits of the Settlement infeasible or impossible ("Legal Obstruction"), such an impediment to the objectives of the Settlement shall be considered by all parties a material frustration of purpose of the Settlement. The Parties recognize that, as this Settlement and the representations herein are an inducement to the dismissal of claims between the Parties in return for value gained by the Redeveloper through the benefits enumerated herein to the Amended Project, and that any such frustration of purpose by a Legal Obstruction materially affects the consideration granted in the Settlement to the Redeveloper. Redeveloper is relying upon the Settlement to partially offset damages accrued, but does not waive any claims in the Litigation against the City of Union City or other non-Party defendants. In the event of such a Legal Obstruction or other action by a third party to impede the objectives of the Settlement, the City shall join and vigorously prosecute any legal action contesting the Legal Obstruction, including any good faith affirmative litigation brought by the Redeveloper challenging the Legal Obstruction.

- c. In addition, for any Legal Obstruction that is not enjoined within 4 months of going into effect, or at the time any such injunction ends, the City shall provide commercially equivalent compensation (other than a payment from Hoboken) for any lost value to Redeveloper caused by such Legal Obstruction, to be negotiated by the Parties in good faith. For the avoidance of doubt, Hoboken shall have no financial obligation to the Redeveloper resulting from a Legal Obstruction, and the Litigation shall remain tolled pursuant to Section 3.
9. No Admission. Each Party acknowledges that the Settlement is being entered into as a compromise of disputes and is without admission of fault, liability, responsibility, or wrongdoing by any of the Parties hereto. Further, nothing in the Settlement shall constitute or be treated as an admission or evidence that any Party violated any federal, state, or local law, regulation, rule or statute, or any common law right sounding in contract, tort, or otherwise.
10. Waiver. The failure of any Party to insist on compliance with any of the terms or provisions of the Settlement or the waiver thereof, in any instance, shall not be deemed or construed as a waiver or relinquishment by such Party of such provision in any other instance or as a waiver or relinquishment by such Party of any other provision of the Settlement.
11. Authority. Each Party represents and warrants that the person signing below has the authority to execute this Agreement on behalf of and to bind such Party, that no further signatures are required, and that all required resolutions of authorization have been lawfully adopted.
12. Notices. All notices, demands, requests or other communications required or permitted to be given pursuant to the Settlement shall be in writing and: (i) delivered personally; (ii) sent by certified mail, return receipt requested; or (iii) sent by a recognized overnight mail or courier service, with delivery receipt requested, to the following addresses (or to such other address as may from time to time be specified in writing by such person). A notice or communication which is mailed or personally delivered shall be deemed to be given and received on the actual date of receipt. Copies of such notices may be delivered to any party by electronic mail as well, but same shall not be considered notice pursuant to this section without an additional hard copy notice, unless receipt of such hard copy notice is waived by the receiving party.

a. To the Redeveloper: Hoboken Western Edge, LLC  
ATTN: Mark Luis Villamar, Managing Member  
1414 Grand Street, Suite 204  
Hoboken, New Jersey 07030

with a copy to: Gibbons P.C.  
ATTN: Cameron W. MacLeod, Esq

One Gateway Center  
Newark, New Jersey 07102

b. To the City:

City of Hoboken  
ATTN: City Clerk  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to:

McManimon Scotland & Baumann, LLC  
ATTN: Joseph P. Baumann, Jr.  
75 Livingston Avenue, Suite 204  
Roseland, New Jersey 07068

c. To the Board:

City of Hoboken Planning Board  
ATTN: Planning Board Chairperson  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to:

Weiner Law Group

d. To the Mayor:

City of Hoboken  
ATTN: Mayor  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to:

Gerry Krovatin, Esq.

e. To the Council:

City of Hoboken City Council  
ATTN: City Council President  
94 Washington Street  
Hoboken, New Jersey 07030

with a copy to:

McManimon Scotland & Baumann, LLC  
ATTN: Joseph P. Baumann, Jr.  
75 Livingston Avenue, Suite 204  
Roseland, New Jersey 07068

f. To the Veterans Group:

Craig Domalewski, Esq.  
Dughi, Hewit, & Domalewski, P.C.  
340 North Avenue  
Cranford, NJ 07016

with a copy to:

[]

13. Effective Date. The Settlement shall become effective on the date of the Parties' exchange of all fully executed signature pages for the Settlement.
14. Counterparts. The Settlement may be executed in any number of counterparts, each of which shall be deemed an original, and such instruments shall together constitute one and the same agreement.
15. Entire Agreement. The Settlement contains the entire agreement between the Parties with respect to the subject matter hereof. The Settlement shall be modified only by a writing signed by all Parties.

**[Remainder of Page Intentionally Blank; Signatures Follow on Next Page]**

**INTENDING TO BE LEGALLY BOUND**, the Parties hereto have agreed to the terms of the Settlement on this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Attest:

**HOBOKEN WESTERN EDGE, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Mark Luis Villamar

Title: Managing Member

Attest:

**CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Ravinder Bhalla

Title: Mayor

Attest:

**CITY COUNCIL OF THE CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Jen Giattino

Title: Council President

Attest:

**PLANNING BOARD OF THE CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Frank Magaletta

Title: Chairman

Attest:

**MAYOR OF THE CITY OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Ravinder Bhalla

Title: Mayor

Attest:

**AMERICAN LEGION HOBOKEN POST 107,  
HOBOKEN WORLD WAR VETERANS  
HOLDING CORP. D/B/A VETERANS  
CENTER OF HOBOKEN**

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

DRAFT